Budgetary allocation for defence

2769. SHRI VIJAY JAWAHARLAL DARDA: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that while India was trying to mobilize world opinion against arms race, China has quietly been building up Pakistan's military might and determinedly adding military muscles to its defence inventory;

(b) if so, whether our budgetary allocation for Defence spending have adequately kept this ground reality in view, in fiscal year 2009-2010;

(c) if so, what is the percentage increase over our defence allocations in 2008-2009; and

(d) whether the 2008-2009 defence allocations were spent in full or some amount lapsed?

THE MINISTER OF DEFENCE (SHRI A.K. ANTONY): (a) India's policy has been to build up defence preparedness while not advocating an arms race.

(b) and (c) The percentage increase in 2009-2010 over our defence allocation in 2008-2009 is 23.65%.

(d) Till March 2009, 99.61% of the 2008-2009 defence allocation (revised estimate) was spent as per unaudited figures.

CBI investigation into Murky Defence deals

2770. SHRI BHAGAT SINGH KOSHYARI: Will the Minister of DEFENCE be pleased to state:

(a) whether CBI has completed its investigation into murky defence deals concerning contracts of German HDW submarine and the Russian aircraft carrier Admiral Gorshkov;

(b) if so, what are the findings thereof and the reaction of Government thereon; and

(c) the steps taken to check corruption in defence deals?

THE MINISTER OF DEFENCE (SHRI A.K. ANTONY): (a) to (c) As per available information, CBI has not investigated into Defence deal concerning procurement of Russian Aircraft Carrier ex-Admiral Gorshkov. CBI had conducted investigation into HDW submarine case and their closure report was accepted by the Special Judge, Patiala House Court, New Delhi on 4lh March 2005.

The objective of Defence Procurement Procedure is to ensure the expeditious procurement of approval requirements of the Armed Forces in terms of capabilities sought within time frames prescribed by optimally utilizing allocated budgetary resources. While achieving this objective, these procedure would demonstrate the highest degree of probity and public accountability, transparency in operations, free competition and impartiality. The provisions incorporated in Defence Procurement Procedures for achieving this objective include: (i) An 'Integrity Pact' between the Government department and the bidder for all contracts above Rs.100 crores; (ii) Dealing directly with Original Equipment Manufacturers (OEM) or Authorized vendors or Government Sponsored Export Agencies

(applicable in case of countries where domestic laws do not permit direct export by OEMs); (iii) Major decisions in the acquisition process being taken in a 'Collegiate' manner; (iv) Enhanced transparency in the conduct of field trials; (v) Pre-bid meetings with vendors; (vi) Prohibiting the use of undue influence by the seller for obtaining any contract with the Government; (vii) Prohibiting the engagement of any individual or firm to recommend to the Government the award of a contract to the seller; and the payment of any amount in respect of any such recommendation.

Involvement of a senior army officer in land scam

†2771. SHRI BALBIR PUNJ: Will the Minister of DEFENCE be pleased to state:

(a) whether the Ministry has received a letter from State Government regarding land scam wherein the role of General-Officer-Commanding-in-Chief of Army is doubtful; the army was given concession in stamp duty as this land was purchased in the name of Army for its use, later on the same land was sold to a trust of Haridwar causing a huge loss of Government revenue; and

(b) the actions taken by Government so far in this regard?

THE MINISTER OF DEFENCE (SHRI A.K. ANTONY): (a) A letter has been received from the Govt. of Uttarakhand regarding purchase and sale of land by Army.

(b) The matter is sub-judice in the Honourable High Court of Uttarakhand at Nainital.

Financial scam in DRDO

†2772. SHRI PRABHAT JHA: Will the Minister of DEFENCE be pleased to state:

(a) whether it is a fact that a financial scam had come to light in Defence Research Development Organisation (DRDO);

(b) if so, the details thereof;

(c) the amount withdrawn from exchequer for this scam; and

(d) the details of action taken by Government?

THE MINISTER OF DEFENCE (SHRI A.K. ANTONY): (a) to (d) No scam has come to light in Defence Research and Development Organisation (DRDO). However, one DRDO employee, a Cashier, had misappropriated funds causing a loss of Rs.48,80,432/- to the exchequer. On discovery of this during internal audit in 2004, FIR was lodged with Police. The delinquent employee has since been dismissed from the Government Service, and is absconding.

Case of corruption against chairman of ordinance factory board

†2773. SHRI SHREEGOPAL VYAS: Will the Minister of DEFENCE be pleased to state:

(a) whether a case is pending against the Chairman of Ordnance Factory Board;

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†Original notice of the question was received in Hindi.